

**STATE OF NEW YORK**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**NATIONAL DISASTER RESILIENCE (CDBG-NDR)**  
**NONSUBSTANTIAL AMENDMENT NO. 3**

**July 14, 2023**

**Additions to: New York State National Disaster Resilience (NDR) Action Plan Incorporating Amendments 1 and 2<sup>1</sup>**

**In sections: Exhibit A – Executive Summary; Exhibit C – Capacity; Exhibit D -- Need; Exhibit E – Soundness of Approach; Exhibit F -- Leverage (New York State National Disaster Resilience Competition (NDRC) Phase 2 Application)**

**Summary:**

Action Plan Amendment 3 (APA 3) will address the following items:

- A. *Agency Name Change:* Governor Kathy Hochul announced that the Governor’s Office of Storm Recovery (GOSR) would become a permanent office under a new name, the Office of Resilient Homes and Communities (RHC). With this update, the State is changing any reference to “the Governor’s Office of Storm Recovery” or “GOSR” throughout the NDR Action Plan to the “Office of Resilient Homes and Communities” or “RHC.”
- B. *Public Housing Resiliency Pilot Project:* As the Public Housing Resiliency Pilot Project reaches construction completion, updates are being made to reflect current project budgets and leveraged funds, including removing FEMA PA since none of the projects utilized this funding. Unmet needs totals are also being updated to reflect the project budgets included in this Action Plan Amendment. Updates are also being made to reflect current RHC organizational structure and capacity, and to align descriptions of the resiliency, environmental, social and economic values with the State’s approved DRGR Action Plan.

The State of New York believes that this proposed amendment will not result in a significant change to the State’s capacity or soundness of approach. No movement of funds is associated with this proposed amendment.

Changes are indicated in red text. New items are identified as such in their respective ‘Description of changes’ sections.

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<sup>1</sup> Per the August 7, 2017 Federal Register Notice (FR-6039-N-01), “HUD required each grantee to submit an application for CDBG-NDR, and the Applicant’s Phase 1 and Phase 2 submissions for this competition together constitute an Action Plan required under Public Law 113-2”.

## A. Agency Name Change

**Description of Changes:** Governor Kathy Hochul announced that the Governor’s Office of Storm Recovery (GOSR) would become a permanent office under a new name, the Office of Resilient Homes and Communities (RHC). With this update, the State is changing any reference to “the Governor’s Office of Storm Recovery” or “GOSR” throughout the NDR Action Plan to the “Office of Resilient Homes and Communities” or “RHC.”

## B. Public Housing Resiliency Pilot Project

**Description of Changes:** As the Public Housing Resiliency Pilot Project reaches construction completion, updates are being made to reflect current project budgets and leveraged funds, including removing FEMA PA since none of the projects utilized this funding. Unmet needs totals are also being updated to reflect the project budgets included in this Action Plan Amendment. Updates are also being made to reflect current RHC organizational structure and capacity, and to align descriptions of the resiliency, environmental, social and economic values with the State’s approved DRGR Action Plan.

From pages 8-10 of Exhibit A – Executive Summary, part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

In addition, the proposed projects and programs are supported by commitments of leverage from various sources, including the Catskill Watershed Corporation (CWC), Community Preservation Corporation (CPC), Enterprise Community Investments, Inc., Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program Funds, ~~FEMA Public Assistance (PA) Funds~~, Georgica Greene Ventures LLC, the Leviticus Alternative Fund, the NYS Environmental Facilities Corporation (EFC), and the Palisades Interstate Park Commission. The proposals outlined here present innovative, replicable, and scalable resiliency interventions designed to reduce the impacts of coastal and riverine flooding in the State’s most impacted communities and position the State as a leader in recovery, resiliency, and revitalization.

Project	CDBG-NDR Request	Leveraged Funds	Partner(s) and Leverage Sources(s)
Manufactured Home Community Resiliency Pilot	\$ 48,974,461	\$ 21,000,000	NYS Department of Homes and Community (HCR) Renewal Housing Finance Agency; Community Preservation Corporation (CPC); Leviticus Alternative Fund

Public Housing Resiliency Pilot	\$ 35,800,000	\$ <del>52,200,000</del> 31,986,000	NYS Department of Homes and Community (HCR) Renewal Housing Finance Agency; Binghamton Public Housing Authority (PHA), Freeport PHA; Hempstead PHA; Long Beach PHA; Enterprise Community Partners; Long Beach Adult Learning Center; Enterprise; Community Investment, Inc.; Freeport Developer Deferred Fee, Georgica Greene Venture LLC; <del>FEMA Public Assistance Funding</del> ; <u>FLHB AHP Funds</u>
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Right-Sizing Culverts and Restoring Natural Floodplains Resiliency	\$ 89,950,968	\$ 15,735,750	NYS Department of Environmental Conservation (DEC); Catskill Watershed Corporation; Cornell University's New York State Water Resources Institute; Local Match Commitment
Right-Sizing Bridges Resiliency	\$ 100,000,000	\$ 11,110,000	NYS Department of Transportation (DOT)
Right-Sizing Critical Dams Resiliency	\$ 44,590,500	\$ 4,960,000	NYS Parks Recreation and Historic Preservation (Parks); Palisades Interstate Park Commission
Nassau County Outfall Pipe and Bay Resiliency	\$ 150,623,750	\$ 299,376,250	Nassau County; Nassau County Capital Fund; NYS Environmental Facilities Corporation Storm Mitigation Loan Program; FEMA Hazard Mitigation Grant Program Funding

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Total	\$ 469,939,679	\$ <u>404,382,000</u> 384,1 <del>68,000</del>	
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From page 25 of Exhibit C – Capacity part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

RHC has learned from the development and administration of recovery programs and is fully prepared to implement the additional resiliency programs and projects proposed herein, both directly and through partners. As of July 2023, RHC consists of ~~10837~~ full-time staff, manages an array of contractors, operates financial and procurement management systems that are compliant with all State and federal requirements, and has put in place fully functioning quality assurance, quality control, and internal control systems.

From pages 26-27 of Exhibit C – Capacity part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan

~~RHC's~~ Ssupport teams—including communications, finance, legal, and policy—have the proven capacity to manage the critical administrative and internal control requirements of large-scale, federally funded recovery and resiliency activities. ~~The RHC's~~ Finance team is responsible for the disbursement of over \$4 billion in HUD funds, and is skilled in budgeting, invoice review, and financial controls. The Communications team engages a vast array of stakeholders and is committed to advancing transparency and accountability. ~~RHC's~~ The Policy and Legal teams are experienced with HUD laws, regulations, and rules. ~~The RHC's~~ fully staffed Procurement and ~~Contract Administration (PCA)~~ Administration and Risk Management teams ~~within its legal department is~~ are experienced in procuring and managing contractors in compliance with all relevant federal and state regulations. Finally, ~~RHC's~~ the Monitoring and Compliance team works across RHC programs to ensure that all activity complies with federal and state regulations, and is complemented by an Internal Auditor. All of these functions will support the implementation of CDBG-NDR activities, as they currently do for the State's CDBG-DR award. As required by the Disaster Relief Appropriations Act 2013, the State has submitted and continues to update as needed the Certification of Proficient Controls, Processes, and Procedures to HUD, which certify to the RHC's ability to properly manage federal funds.

From pages 28-29 of Exhibit C – Capacity part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

~~The Environmental Unit~~ RHC's Bureau of Environmental Review and Assessment, a cross-cutting legal team, is deeply experienced with issues of floodplain management, pre-development site preparation, remediation of brownfields, and all aspects of environmental review. RHC is also experienced in performing cost- and price-analyses to determine the cost-reasonableness and cost-benefit ratio of projects and actions in compliance with federal regulations. Both RHC and ~~its parent agency~~ HCR, have extensive experience working with civil rights and fair housing issues including outreach, technical assistance, data analysis, and HUD reporting to address racial or economic disparities.

From pages 33-34 of Exhibit C – Capacity part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

RHC's management structure, detailed in the organizational chart at the end of this section, is robust and will enable the successful implementation of recovery and resiliency efforts. No major positions are vacant, and the implementation of the proposed CDBG-NDR activities will not require any additions to key management personnel. RHC is led by ~~Interim~~-Executive Director ~~Lisa Bova-Hiatt~~ Katherine Brennan. Ms. ~~Bova-Hiatt~~ Brennan previously served as the Senior Advisor to the Deputy Mayor of Housing and Economic Development in the New York City Mayor's Office and Chief of Staff at the New Jersey Housing and Mortgage Finance Agency. ~~RHC's General Counsel, on the leadership team assembled by Mayor Michael Bloomberg to address emergency and long-term needs on Staten Island in the aftermath of Superstorm~~

~~Sandy, as a Legislative Representative in the NYC Office of Legislative Affairs, and as the Deputy Chief of the Tax and Bankruptcy Litigation Division of the NYC Law Department.~~

RHC's existing program staff, working in concert with the partners the State has identified in this application, has the capacity and the management expertise to deliver the proposed CDBG-NDR activities. ~~The Resilient Investments Team RHC's Affordable Housing team~~ (led by RHC's Director of Affordable Housing ~~and Resilience~~ and under the supervision of the Managing Director of ~~Resilient InvestmentsHousing~~), will manage the implementation of the Public Housing Resiliency Pilot Project. The NYRCR team (led by the Managing Director of the NYRCR Program) and the Housing team (led by the Managing Director of Housing) will work together to implement the Manufactured Home Community Resiliency Pilot Program. RHC's Infrastructure and NYRCR teams, led by the Managing Directors of the Infrastructure and NYRCR Programs, will manage grants of funding to two New York state agencies (DOT and Parks), ensuring performance and compliance with all federal and state regulations, as well as subrecipient agreements with local governments and counties in the Right-Sizing Culverts and Restoring Natural Floodplains Resiliency Program. Finally, RHC's Infrastructure team, under the leadership of the Managing Director of the Infrastructure Program, will manage the grant of CDBG-NDR funds to Nassau County, which will manage the Nassau County Outfall Pipe and Bay Resiliency Project.

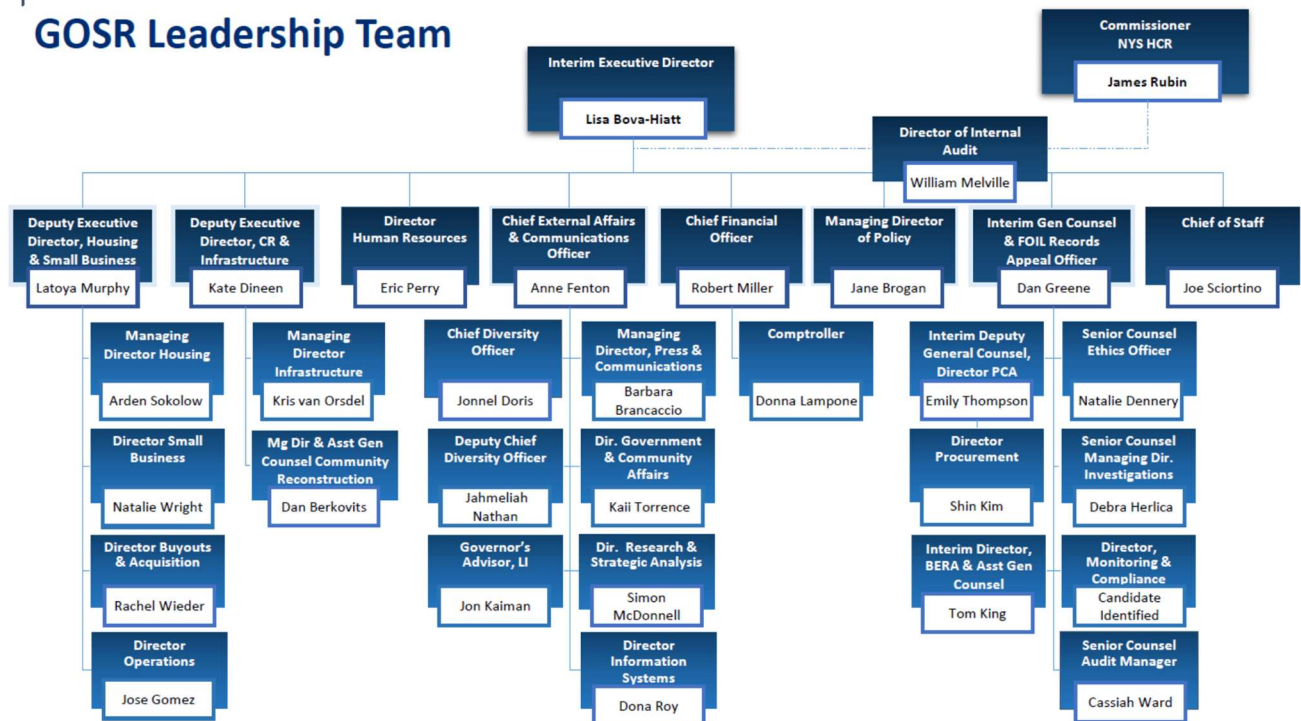
*From page 36 of Exhibit C – Capacity part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:*

References: The State offers two references that speak to RHC's management capacity and its experience doing work similar to the proposed activities.

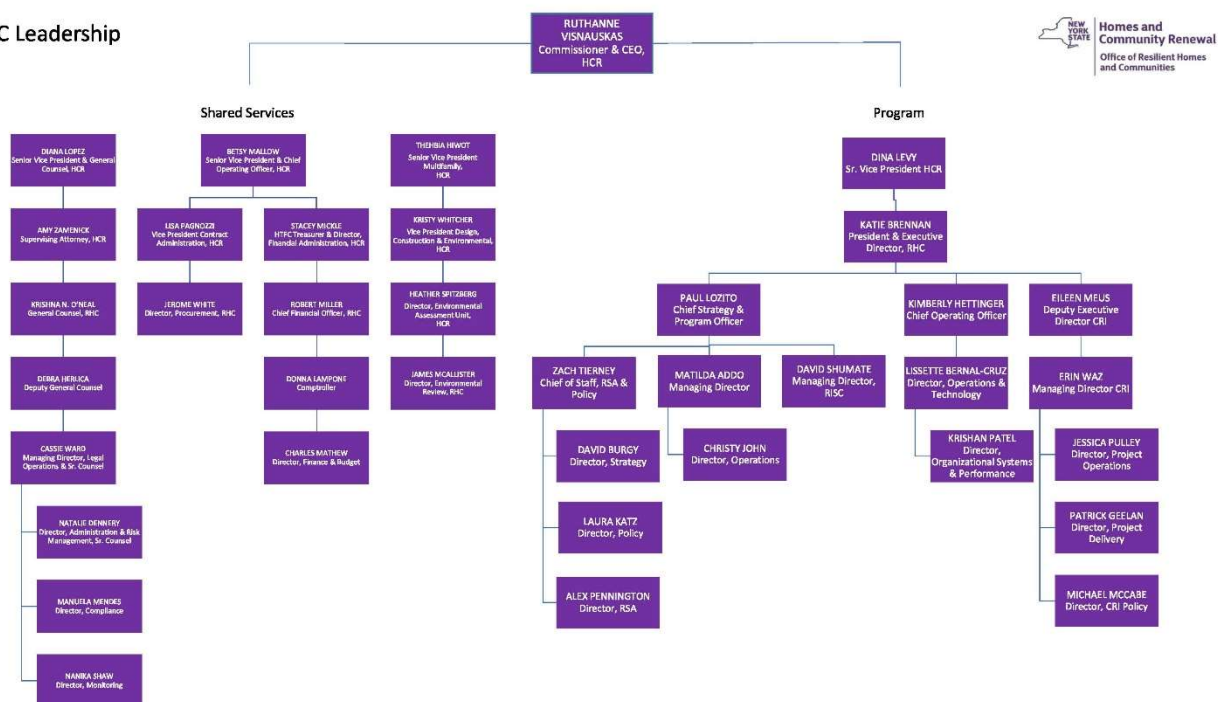
1. ~~James S. Rubin~~~~RuthAnne~~ Visnauskas, Commissioner of New York State Homes and Community Renewal. ~~james.rubin@nysher.org~~~~ruthanne.visnauskas@hcr.ny.gov~~, 212-872-0302, 641 Lexington Avenue New York, NY 10022.

2. Additionally, the State's affordable housing work was highlighted in an article published on LongIsland.com: <http://www.longisland.com/news/09-30-15/cuomo-build-affordable-housing-storm-damaged-areas.html>.

# GOSR Leadership Team



## RHC Leadership



From page 39 of Exhibit D – Need part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

New York State was granted \$4.4 billion in Community Development Block Grant – Disaster Recovery (CDBG-DR) funds to address the unmet recovery and resiliency needs of impacted and distressed communities following the impacts of Hurricane Irene, Tropical Storm Lee, and Superstorm Sandy. The entirety of this funding has been programmed for expenditure under the State’s Housing, Infrastructure, Community Reconstruction, and Small Business programs. In fact, the State’s programs are vastly oversubscribed, and, as outlined in Action Plan Amendment 8 (APA 8), the State’s unmet recovery needs (URN) greatly outweigh its CDBG-DR allocation. In this Exhibit, the State identifies unmet recovery and resiliency needs within the State’s 10 Most Impacted and Distressed (MID) counties outside of New York City. These Target Areas comprise 13 percent of the State’s landmass, and 26 percent of its population. In addition to these Target Areas, the State’s proposed projects and programs have regional implications and the State is committed to working with New York City and New Jersey, as outlined in the Consultation Summary in Attachment D and Partner Letters and Partner Agreements in Attachment A. Moreover, all proposed projects and programs are scalable beyond the Target Areas, and based on the successes of these activities, the State may consider expanding these activities. Leverage funding commitments comprise ~~almost~~ **862** percent of funding requested, and all leveraged funds are discussed in detail in Exhibits E and F. All Target Areas have unmet resiliency needs, as described herein and in Exhibit B. This Exhibit closes by examining demographic information for the Target Areas and by describing appropriate approaches to addressing these URN.



From page 41 of Exhibit D – Need part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

**Target Area: Broome County; Declared Disaster: Lee; URN: Housing, Infrastructure**

Housing URN: Over 5,100 owner-occupied (2,400 LMI) units and 1,800 (1,499 LMI) renter-occupied units were damaged in the Target Area. Remaining URN is estimated at \$379 million. The State identifies \$2.34 million in total housing resilience measures, of which, at least \$720,000 of elevation and \$60,000 in other mitigation measures is unbudgeted. The State identifies additional URN as a result of its interactions with the Binghamton Housing Authority (BHA): \$3.18 million in URN from damages associated with Tropical Storm Lee, impacting 2224 BHA housing units with no source of funding identified. The State considers this list of housing units to be a waiting list.

From pages 42 – 43 of Exhibit D – Need part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

Housing URN: Over 39,200 owner-occupied (14,400 LMI) units and 10,200 (7,300 LMI) renter-occupied units were damaged in the target area. Remaining URN is estimated at \$1.08 billion. The State identifies \$523 million in total housing resilience measures, of which, approximately \$142 million of elevation, at least \$56.7 million of bulkhead repair and replacement, and \$15.8 in other mitigation measures is unbudgeted. This Target Area has over 4,000 damaged homes for which the owner has applied to the State for funding of resiliency measures and which the State has not approved funding. The State considers this list of housing units to be a waiting list. The State also identifies additional URN at the Town of Hempstead Housing Authority (TOHHA), Long Beach Housing Authority (LBHA), and Freeport Housing Authority (FHA). In total, the State identifies \$5.77.8 million and \$86.6 million in URN at TOHHA's Mill River (1064 units) and Inwood Gardens (50 units), and \$11.28 million in URN at LBHA's Long Beach Channel (108 units). It also identifies an additional \$5.75 million in unfunded critical resiliency measures at FHA's Moxey Rigby Homes (100 units). These measures are considered URNunfunded. The State considers this list of housing units to be a waiting list.

From pages 61-62 of Exhibit E – Soundness of Approach part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

Measuring Success: PHAs will utilize WegoWise or Energy Score Card to benchmark, track, and analyze their energy and water usage. RHC will facilitate consultations with NYSERDA's Multifamily Performance Program to inform the effort. RHC will obtain data on power loss during storm events from utility companies, resistance to flood damage during storms, and other information on building performance at each site. Specifically, the following will be tracked:

- Resiliency Value: ~~Number of PHA facilities constructed or retrofitted with resiliency measures and number of PHA units benefiting from resiliency measures~~Power continuity during storm events;  
~~number of days to return to full operations following extreme weather events.~~
- Environmental Value: ~~% reduction in kWh used~~Energy use and cost reduction; reduced water usage.
- Social Value: ~~Number of residents participating in planning events; number of PHA communities participating in resilience learning collaborative; and number of resilience plans created. Increased-~~

~~safety and security; decreased mental and emotional stress; and increased social cohesion gauged via survey; increased access to natural features.~~

- *Economic Revitalization Value:* Number of workforce development program participants enrolled; ~~trained completion, and employed placement, and post-placement retention percentage for enrolled participants; annual earnings by workforce development program participants.~~

From pages 71-74 of Exhibit E – Soundness of Approach part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:

*Project Schedule: Public Housing Resiliency Pilot Project*

<b><u>Task</u></b>	<b><u>Start</u></b>	<b><u>End</u></b>
NDRC Awards Announced; RHC announces projects to PHAs; PHAs commence outreach for workforce development	Jan 2016	Jan 2016
NEPA Environmental review commences ( <del>Freeport</del> ); follow up letters issued to housing authority <del>ies</del> ; procurement of A/E as needed	Feb 2016	<del>Nov</del> Apr 2016
Grant awards finalized with HUD; Scopes finalized on all NDRC PHA projects	<del>Jan</del> Mar 2017	<del>Jul</del> Apr 2019
RHC - PHA agreements finalized	Apr 2016	May 2016
Workforce training program commences	<del>Sept</del> May 2018	<del>Jul</del> 2020 <del>Jun</del> 2016
Construction documents complete for rehab projects	<del>May</del> Jun 2017	<del>Dec</del> Jun 2021
Construction permits pulled	<del>May</del> Jul 2017	<del>May</del> Jul 2021
Construction commences on first projects ( <del>Binghamton</del> ); workforce training program completes	<del>Jun</del> Aug 2017	<del>Jul</del> Apr 2020
Closing on financing for Freeport PHA; construction for all projects has begun	<del>May</del> Sept 2017	<del>Mar</del> Sept 2022
Construction substantially complete for all rehab projects; <del>construction 50-percent complete - Freeport PHA New Construction</del>	<del>Nov</del> Sept 2019	Sept 2023
All NDRC funds drawn down (if Freeport PHA not complete, all NDRC funds will have been spent, but subject to default provisions if compliance benchmarks are not met by completion of construction)	<del>Jan</del> 2018 <del>Jun</del> 2017	<del>Jul</del> Jan 2024

Disseminate “best practices” document, including lessons learned	Feb 2018	<del>JunApr</del> 202318
Freeport PHA residents move in	<del>MarSept</del> 202018	<del>MayOct</del> 202018*

\*Milestone: Program benefits realized

RHC's program experience with conducting Environmental Review for its Affordable Housing Fund demonstrates that NEPA can be completed concurrent with other pre-construction due diligence. For the Multi-Family/Affordable Housing program, once RHC issues a conditional award letter, the State begins the process and issues a letter to the applicant, indicating all the items needed to complete environmental review. Depending on the applicant's responsiveness, it takes two to four months (including the mandatory 32-day comment period) for HUD to issue the Authority to Use Grant Funds (ATUGF) which signals completion of environmental review.

Budget: The total budget is \$~~119.74~~ ~~78.04~~ million. The State is requesting \$35.8 million in CDBG-NDR and, is contributing \$~~31.42~~ ~~40.26~~ million in CDGB-DR, and there are \$~~52.23~~ ~~1.99~~ million in leveraged funds. The budget was developed using cost estimates from engineers and Project Worksheets prepared by FEMA. Engineers supplemented FEMA damage assessments with mitigation measures identified in the Enterprise Multifamily Resilience Strategies and industry standard resilience measures. For a sources and uses statement, please refer to Attachment B. The cost of operations and maintenance is addressed in Attachments B and F.

National Objective	Eligible Activity	Responsible Entity	Amount of Funds	Proposed Source of Funds
LMI	Construction of New Housing	Freeport Housing Authority	\$ <del>67.64</del> <del>2.7</del> million	CDBG-DR (\$9.20m), CDBG-NDR (\$5.75m), <del>FEMA PA (\$5.8m)</del> , Debt (\$17.22.7m), Equity (\$29.216m), Deferred Fee (\$3.87m), <u>HOME (\$5m)</u> , <u>FHLB AHP (\$2m)</u>
LMI	Rehabilitation of Residential Structures	Town of Hempstead Housing Authority	\$ <del>24.6</del> <del>16.4</del> million	CDBG-DR (\$10.90.5m), CDBG-NDR (\$13.714.4m), <del>FEMA PA (\$1.5m)</del>
LMI	Rehabilitation of Residential Structures	Long Beach Housing Authority	\$ <del>19.3</del> <del>12.2</del> million	CDBG-DR (\$8.10.4m), CDBG-NDR (\$11.28m), <del>FEMA PA (\$0.3m)</del>
LMI	Rehabilitation of Residential Structures	Binghamton Housing Authority	\$6.26 million	CDBG-DR (\$3.10.7m), CDBG-NDR (\$3.19m), <del>FEMA PA (\$2.0)</del>
LMI Public Services	Econ. Development or Recovery Activity that Creates/Retains jobs	Long Beach Adult Learning Center	\$ <del>24</del> <del>16</del> million	CDBG-NDR

	<u>Admininstration</u>	<u>State of New York</u>	<u>\$1.8 million</u>	<u>CDBG-NDR</u>
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*From page 102 of Exhibit F – Leverage part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:*

The leverage documentation in Attachment B demonstrates firm direct financial commitments that New York State has obtained for its proposed projects and programs. These commitments will significantly increase the effectiveness of the proposed activities and ensure that the impact of federal funds is maximized to the fullest extent possible. The total direct commitments to the State’s NDRC proposal that are eligible as leverage equal to ~~\$404.38~~384.17 million, equal to ~~861.7~~ percent of total CDBG-NDR funds requested. In addition to these leveraged funds, the State is contributing ~~\$31.42~~40.9 million in CDBG-DR funds to the proposed projects and programs. Operations and maintenance costs are detailed in Attachment B and Attachment F.

*From page 102 of Exhibit F – Leverage part of the NYS Phase 2 Application to the NDRC, which constitutes part of the New York State NDR Action Plan:*

**Public Housing Resiliency Pilot Project:** Direct financial commitments of ~~\$17.22~~.7 million in tax-exempt debt from NYS Homes and Community Renewal/Housing Finance Agency (HCR/HFA), ~~\$29.24~~6 million in LIHTC credit equity ~~from Enterprise Community Investments, \$9.6 million in FEMA PA funds from participating housing authorities, \$2 million in Federal Home Loan Bank AHP Funds,~~ and a ~~\$3.87~~ million deferred developer fee. This represents almost 146~~89~~ percent of CDBG-NDR funds requested. In addition to this leverage, the State is contributing ~~\$31.91~~40.26 million in CDBG-DR and HOME funds to this project.